THIS AMENDMENT:

Passed Passed as amended by

Failed Not Offered Withdrawn

GLEASON PROPOSED AMENDMENT #2

DATE PREPARED: August 17, 2007

COMPANY:

Arizona Public Service Compnay

DOCKET NOs:

E-01345A-05-0477

OPEN MEETING DATES: August 21 and 22, 2007

Z CORP COMMISSION

60CB

AGENDA ITEM: <u>U-10</u>

Page 7, between lines 21 and 22, INSERT a new Finding of Fact to read:

"24. Staff indicates that it is not making a recommendation at this time regarding final approval of the NR Existing Program and that Staff will make such a recommendation after Staff completes its updated analysis of all of the measures comprising the Non-Residential programs. Staff further states that the NR Existing Program is off to a rapid start and that interest and participation in the Program are at an unexpectedly high level. We find that these circumstances demonstrate a potential to reduce the extent to which the Program is subsidized with ratepayer dollars. To realize that potential, we will specify that any recommendation for final approval of the NR Existing Program shall be contingent on a reduction in the percentage of the total Program budget committed to Rebates and Incentives that was approved in Decision No. 68488 (50.6 percent)."

Renumber Findings of Fact to conform

Page 13, between lines 21 and 22 INSERT a new Ordering Paragraph to read:

"IT IS FURTHER ORDERED that any future recommendation by Staff for final approval of the NR Existing Program shall be contingent on a reduction in the percentage of the total Program budget committed to Rebates and Incentives that was approved in Decision No. 68488 (50.6 percent)."

Make all conforming changes

Arizona Corporation Commission DOCKETED

AUG 17 2007

DOCKETED BY NE